



TERESA OLCOTT COHEA
LEGISLATIVE FISCAL ANALYST

STATE OF MONTANA

Office of the Legislative Fiscal Analyst

STATE CAPITOL
HELENA, MONTANA 59620
406/444-2986

STATE DOCUMENTS COLLECTION

November 5, 1991

DEC 1992

MONTANA STATE LIBRARY
1515 E. 6th AVE.
HELENA, MONTANA 59620

TO: Legislative Finance Committee

FROM: Jim Haubein, Principal Fiscal Analyst *Jim Haubein*
Sandy Whitney, Senior Fiscal Analyst *Sandy Whitney*

RE: Costs of Disturbances at Montana State Prison and Mountain View School

MONTANA STATE PRISON

A major disturbance took place in the maximum security unit at the Montana State Prison on September 22, 1991, which resulted in damages to both the building (approximately \$30,000) and contents (approximately \$20,000).

The Architecture and Engineering Division (A&E) staff has assessed the damages. A&E and the Department of Corrections and Human Services (DCHS) have determined that the repairs could be made by the prison maintenance staff.

In addition to the damage costs, approximately \$150,000 was incurred for overtime, medical costs, additional food and supplies related to the disturbance, and travel and per diem related to the subsequent investigation.

The state's insurance will cover the amount of the damages and extra costs that result from the damage as determined by adjusters working on the loss. However, since the state's insurance policy contains a \$150,000 deductible clause, DCHS will have to pay \$1,000 and the state's insurance fund pays

\$149,000. Final costs have not yet been determined by adjusters working for the state because extra expenses are ongoing. All covered costs above \$150,000 must be borne by the commercial carrier up to the maximum policy limits of \$50 million per occurrence. Final costs will be resolved with all parties.

DCHS staff have stated that the disturbance had a minimal impact on the industries revenues. Despite the lockdown for a period of time, dairy products were sold on schedule. However, some disruption in other industries programs may have resulted in reduced sales.

MOUNTAIN VIEW SCHOOL

On Saturday October 19, 1991, some residents set fire to the interior of Cottonwood cottage at Mountain View School. Damage to the building has been estimated at \$34,000. In addition, there was considerable damage to the furnishings and contents, but as of this date there has been no determination of these costs. A&E will be overseeing repair of the cottage and is currently soliciting bids for the work.

While there will be some additional costs such as overtime associated with the damage, the total has not been determined. Total costs are expected to be less than the state's \$150,000 deductible. Therefore, the school will pay the first \$1,000 and the state's insurance fund will pay the balance.

JH3A:lt:lfc-msp.mem